

## Questions WW,XX,YY,UU,D,E,L,W and MM

Providing insurance advice is not an exact science.

To open a discussion with a customer which results in information being provided to an Adviser, on which a recommendation of levels and types of insurance cover can be formulated, requires a high level of trust between the customer and the Adviser.

The customer must trust the adviser to provide them recommendations which will effectively meet their requirements. The Adviser must trust the customer to provide sound information on which an appropriate recommendation is able to be made.

People entering the Financial Advice industry who are not committed to learning and developing the ability to establish and maintain trusting relationships with customers, normally do not survive in the business.

I firmly believe the initial objective of the insurance advice industry should be to provide clear, accurate and easy to understand information to all customers and all potential customers about the products, services and companies an individual Adviser offers. Also the process involved in providing good advice, i.e the Adviser must obtain relevant information and the customer must provide accurate information to obtain good advice.

I believe the current Disclosure Statement for RFA's is inadequate.

Improvements should include a clear and easy to understand explanation of each product available, the companies available, the process the Adviser uses, and reasons why. Also the complaints processes. This should all be in larger print, to be provided to all customers at the start of the advice process.

To make recommendations to a customer, an Insurance Adviser must be able to demonstrate to the customer how cover levels have been calculated and explain why each benefit has been recommended, also why a particular insurance company has been recommended, and any reductions in cover or loss of benefits in the case of policy replacement.

I have over the years completed courses provided by our professional association and continue to study industry related material to continue to extend my knowledge of the business. [REDACTED]

s9(2)(b)(ii)

[REDACTED] I have very high persistency rates ( the length of time my clients policies remain in force) and I have had a huge number of claims paid during my 28 years in the business, the first occurring 6 months after I started.

Requiring Advisers to obtain a university or similar degree will do nothing to increase practical adviser experience and may increase the rift that already exists between the public and the Adviser force.

I intend to continue to provide ongoing service to my clients, I believe my knowledge, experience and skill levels to be more than adequate to meet my customers and industry needs. I believe my process would stand up well in any external audit and would be happy to accept this if done by a suitably qualified individual.

The suggestion of Insurance Advisers having their own code of ethics and documented ethical processes, will create much extra non-productive demand on an individual Advisers business, in what is already a paper and compliance intensive process.

The key functions of an Adviser must be to provide insurance services and advice to customers. Added documentation and compliance processes will further reduce the time and focus an Adviser can put into their business. This must lead to less effective service to the public.